

Served: July 20, 2000

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**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 17th day of July, 2000

Essential Air Service at

AKUTAN, ALASKA

Under 49 U.S.C. 41731 *et seq.*

Docket OST-2000-7068 - 6

ORDER EXTENDING SERVICE OBLIGATION

Summary

By this order, the Department of Transportation is extending Peninsula Airways' service obligation at Akutan, Alaska, for another 30 days, through August 7, 2000.

Background

On March 10, 2000, Peninsula Airways, Inc., d/b/a PenAir, filed a 90-day notice of its intent to terminate all of its subsidy-free service at Akutan, Alaska, effective June 8, 2000. By Order 2000-6-1, June 1, 2000, the Department prohibited Peninsula Airways from suspending service beyond the end of its 90-day notice period, through July 8, 2000, and requested proposals, with subsidy if necessary, from carriers interested in providing replacement service.

Since it is unlikely this case will be concluded before the end of the current 30-day hold-in period, as required by 49 U.S.C. 41734, we will extend Peninsula Airways' service obligation at Akutan for an additional 30 days, or until replacement service actually begins, whichever occurs first.

This order is issued under authority assigned in 14 CFR 385.12(k)(5).

ACCORDINGLY,

1. We require Peninsula Airways, Inc., d/b/a PenAir, to maintain essential air service at Akutan, Alaska, as described in ordering paragraph 2 of Order 2000-6-1, for an additional

30-day period through August 7, 2000, or until a carrier capable of providing reliable replacement service actually begins service, whichever occurs first;¹

2. We direct Peninsula Airways to retain all books, records, and other source and summary documentation to support subsidy claims for payment, and to preserve and maintain such documentation in a manner that readily permits its audit and examination by representatives of the Department. Such documentation shall be retained for seven years or until the Department indicates that the records may be destroyed. Copies of flight logs for aircraft sold or disposed of must be retained. The carrier may forfeit its compensation for any claim that is not supported under the terms of this order;

3. Docket OST-2000-7068 will remain open until further order of the Department; and

4. We will serve a copy of this order on the Mayor and City Administrator of Akutan, Alaska Department of Transportation, President of the Native Village of Akutan, and Peninsula Airways, Inc., d/b/a PenAir.

Persons entitled to petition the Department for review of this order under the Department's Regulations, 14 CFR 385.50, must file such petitions within ten (10) days after the date of service of this order.

This order will be effective immediately, and the filing of a petition for review shall not preclude its effectiveness.

By:

RANDALL D. BENNETT
Acting Director
Office of Aviation Analysis

(SEAL)

*An electronic version of this document is available on the World Wide Web at
<http://dms.dot.gov>*

¹ In accordance with 49 U.S.C. 41734(c), we will extend Peninsula Airways' service obligation for successive 30-day periods as necessary until replacement service actually begins.